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*Washington, Thursday, March 26, 1936*

## INTERSTATE COMMERCE COMMISSION.

SERVICE ORDER No. 56

At a Session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 21st day of March, A. D., 1936.

The subject of routing of freight traffic being under consideration, and it appearing to the Commission that an emergency exists, upon the lines of all carriers by railroad in the New England States subject to the Interstate Commerce Act, which requires immediate action; and that each of such carriers by reason of interruption of traffic through flood conditions in certain of the New England States is unable to transport the traffic offered it so as to properly serve the public.

Therefore, in order to best promote the service in the interest of the public and the commerce of the people, it is *ordered and directed*:

1. That from and after March 21, 1936, and until the further order or direction of this Commission, all said common carriers by railroad operating within the New England States, or connecting with other railroads operating within such States be, and they are hereby, directed to forward traffic having origin or destination in, or ordinarily moving through, the New England States by routes most available to expedite its movement and prevent congestion, without regard to the routing thereof made by shippers or by carriers from which the traffic is received, or to the ownership of the cars, and that all rules, regulations, and practices of said carriers with respect to car service are hereby suspended and superseded insofar only as conflicting with the directions hereby made.

2. That, inasmuch as such disregard of routing is deemed to be due to carrier's disability, the rates applicable to traffic so forwarded by routes other than those designated by shippers, or by carriers from which the traffic is received, shall be the rates which were applicable at date of shipment over the routes so designated.

3. That in each instance where the traffic is routed, or rerouted, by carriers by railroad under the authority of this order the carriers responsible for such routing, or rerouting, shall, within 24 hours thereafter, deposit in the United States mail a notice addressed to the consignee of the traffic stating the car numbers and initials, places and dates of shipment, the routing and respective routes over which the traffic is moving, and that charges for the transportation of the traffic, including transportation and schedules of rates, fares, and charges, as those terms are defined in said act, will be the same as they would have been if such routing or rerouting had not taken place.

4. That, in the case of shipments in private cars which are subject to equalization of empty mileage, and also of fruits and vegetables, live poultry, and other shipments customarily reconsigned upon instructions of the consignor, a

telegraphic notice of the diversion shall be sent to the consignor by the carrier responsible therefor.

5. That in executing the directions of the Commission contained in this order the common carriers involved shall proceed without reference to contracts, agreements, or arrangements now existing between them with reference to the divisions of the rates of transportation applicable to said traffic; that such divisions shall be, during the time this order remains in force, voluntarily agreed upon by and between said carriers, and that, upon failure of the carriers to so agree, said divisions shall be hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by said act.

6. That copies of this order and direction be served upon the following-named carriers by railroad operating in the New England States and those connecting therewith, subject to the Interstate Commerce Act, viz: Bangor and Aroostook Railroad Company; Barre and Chelsea Railroad Company; Boston and Albany Railroad; Boston and Maine Railroad; Canadian National Railways; Canadian Pacific Railway Company; Central Vermont Railway Company; The Delaware and Hudson Company; Maine Central Railroad Company; Montpelier and Wells River Railroad; The New York Central Railroad Company; The New York, New Haven and Hartford Railroad Company; Quebec Central Railway Company; Rutland Railroad Company; The St. Johnsbury & Lake Champlain Railroad Company; Suncook Valley Railroad and White River Railroad Company (of Vermont), and that notice of this order be given to the general public by depositing a copy of the order in the office of the secretary of the Commission in Washington, D. C.

By the Commission, Division 3.

[SEAL]

GEORGE B. MCGINTY, Secretary.

[Filed, March 24, 1936; 2:32 p. m.]

## EMERGENCY FREIGHT CHARGES, 1935

[Ex Parte No. 115]

IN THE MATTER OF INCREASES IN FREIGHT RATES AND CHARGES, 1935

MARCH 23, 1936.

The hearings in the above-entitled proceeding heretofore assigned at Boston, Mass., and Washington, D. C., are reassigned as follows:

Boston, Mass., April 16, 1936, 10 a. m., eastern standard time, at the Hotel Lenox before Commissioner Aitchison.

Washington, D. C., April 21, 1936, 10 a. m., eastern standard time, at the office of the Interstate Commerce Commission, before Commissioner Aitchison.

By the Commission.

[SEAL]

GEORGE B. MCGINTY, Secretary.

[Filed, March 25, 1936; 12:49 p. m.]





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## SECURITIES AND EXCHANGE COMMISSION.

[For immediate release, Wednesday, March 25, 1936]

### SECURITIES EXCHANGE ACT OF 1934

Release No. 548 (Class A)

The Securities and Exchange Commission, deeming it necessary for the execution of the functions vested in it and necessary and appropriate in the public interest and for the protection of investors so to do, pursuant to authority conferred upon it by the Securities Exchange Act of 1934, particularly Sections 13 and 23(a) thereof, hereby adopts the following rule:

**RULE JB9.** In all cases in which an application for registration of securities pursuant to Sections 12 (b), (c), and (d) of the Act contains an agreement that registration pursuant to such application should expire on the 90th day (or at the end of such longer period as the Commission might by order prescribe) after the close of the registrant's fiscal year ending on or after December 31, 1935, unless prior to such date the registrant should have filed certified financial statements for such year, the time for filing such certified financial statements is hereby extended to the date on or prior to which the registrant is required to file financial statements for such year in a periodic report under Section 13, as such date is determined by applicable rules or by the registrant's application for extension of time pursuant to such rules.

The foregoing rule shall be effective upon publication.

[SEAL]

FRANCIS P. BRASSOR, *Secretary.*

[Filed, March 25, 1936; 1:31 p. m.]

[For immediate release Wednesday, March 25, 1936]

### SECURITIES ACT OF 1933

Release No. 714 (Class C)

### AMENDMENT NO. 20 TO INSTRUCTION BOOK FOR FORM A-2

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Act of 1933,

as amended, particularly Sections 7 and 19 (a) thereof, and finding that any information or documents specified in Schedule A of that Act which Form A-2 and the book of instructions accompanying that form, as hereby amended, do not require to be set forth, are inapplicable to the class of securities to which such form is appropriate, and that disclosure fully adequate for the protection of investors is otherwise required to be included in the registration statement, and that such information or documents as Form A-2 and the accompanying book of instructions, as hereby amended, require to be set forth, but which are not specified in Schedule A, are necessary and appropriate in the public interest or for the protection of investors, hereby amends Form A-2 and the book of instructions accompanying that form, as follows:

I. In the instruction book for Form A-2, the third paragraph of the instructions to Item 41 is amended by inserting the word "affiliates", immediately after the word "promoters", so that the paragraph, as amended, reads as follows:

For example, the following contracts made with parties other than directors, officers, promoters, affiliates, underwriters, or principal stockholders, are to be deemed to have been made in the ordinary course of business:

II. In the instruction book for Form A-2 there is added to Paragraph C of the instructions to Item 41 the following new subparagraph:

(3) Patents, documents establishing patent rights or contracts for patent rights.

III. In the instruction book for Form A-2, under the caption "Instructions as to exhibits", the requirements as to Exhibit J are amended by deleting therefrom the figure 41 and inserting in lieu thereof the figure 42, so that the requirements as to Exhibit J read as follows:

Exhibit J.—Copy of each foreign patent, each document establishing a patent right, and each contract for a patent right set forth in answer to Item 42.

IV. In the Instructions as to Financial Statements in the instruction book for Form A-2, under Part 3, captioned "General Requirements for All Statements", the paragraph reading:

These instructions relating to the financial statements and their supplemental schedules shall apply only where the items and conditions in question are present in the business of the registrant.

is amended by adding thereto a new sentence reading as follows:

Where financial statements and schedules are required to contain information regarding subsidiaries the names of which are omitted from the answer to Item 4 pursuant to the instructions to that item, such subsidiaries may be reasonably grouped, without naming them.

V. At the end of the "Special Rules as to the Use of Form A-2 for Corporations" in the instruction book for Form A-2 there is added a new rule reading as follows:

5. Any corporation which was formed by the consolidation of two or more corporations may use Form A-2, if each of the constituent corporations which collectively brought in a majority of the assets, as shown by the books of the constituent corporations prior to the consolidation, could have used Form A-2 if the consolidation had not taken place. In determining whether any such constituent corporation could have used Form A-2, the record of the registrant in regard to income or annual reporting to security holders shall be considered a continuation of such constituent corporation's record. In this rule all the corporations consolidated to form the registrant are called the "constituent corporations."

Any corporation using Form A-2 by virtue of this Special Rule 5 shall comply with the requirements set forth below:

A. *Requirements as to Items of the Form.*—The following additional instructions shall apply to the items of Form A-2 indicated below:

Item 6.—If the registrant has been in existence less than five years, information regarding the development of the business of constituent corporations shall be given for such time preceding the registrant's organization as may be neces-



sary to make up the five-year period. Only such information regarding constituent corporations need be given as has material bearing on the development of the consolidated enterprise now represented by the registrant.

*Item 35.*—If the registrant has been in existence less than two years, information shall be given regarding the interests of directors, officers, and affiliates of the registrant, and the underwriters and stockholders named in the items indicated, in property acquired by constituent corporations during such time preceding the registrant's organization as may be necessary to make up the two year period.

*Items 36 and 37.*—If the registrant has been in existence less than a full fiscal year, information shall be given regarding remuneration paid by constituent corporations to the persons indicated, in any capacity, during such period preceding the registrant's organization as may be necessary to make up a full fiscal year.

*Item 36.*—Information need be given only as to remuneration to directors, officers, and employees of the registrant.

*Item 37.*—Amounts paid by a constituent corporation to any director, officer, or employee thereof, in his capacity as such, need not be included under this item.

*Item 38.*—If the registrant has been in existence less than two years, the required information shall be given for each constituent corporation, as if it were the registrant, for such period prior to the registrant's organization as may be necessary to make up the two-year period.

*Item 40.*—The answer to this item should include information regarding proceedings to which a constituent corporation appears as a party.

*Item 43.*—If the registrant has been in existence less than five years, the required information shall likewise be given for each constituent corporation, commencing with a date approximately five years prior to the date of filing.

*Item 45.*—The required information shall likewise be given as to the respective captions on the balance sheets of constituent corporations, whether or not this Special Rule 5 requires the filing of balance sheets for constituent corporations.

*Item 46.*—The required information shall likewise be given for each constituent corporation.

**B. Requirements as to Financial Statements.**—The requirements set forth below shall be in complete substitution for the provisions of part 1 of the Instructions as to Financial Statements in Form A-2, captioned "Financial Statements of the Registrant and Its Subsidiaries", except as otherwise specifically provided in paragraph 3 below. All other instructions as to financial statements in Form A-2 shall be applicable.

**1. If the consolidation occurred within 90 days:**

(a) There shall be filed an individual balance sheet for each constituent corporation, and a combined balance sheet for such corporation, as of the status existing immediately before the date as of which the transfer of accounts was made, and a balance sheet for the registrant as of the status existing immediately after that date. These statements shall be set forth in such form, preferably columnar, as to show in related manner the individual balance sheets of the constituent corporations, the eliminations of intercompany items, the combined balance sheet, the changes effected in the consolidation, and the balance sheet of the registrant after giving effect to the changes in consolidation. By footnote or otherwise a brief explanation of the eliminations and changes shall be made. If the constituent corporations are more than five, one or more balance sheets combining or grouping the balance sheets of any constituent corporations may be filed in lieu of their respective individual balance sheets required by this paragraph (a), provided such presentation will clearly show the financial condition of the group or groups. If combined or group balance sheets are filed as permitted by the preceding sentence, there shall be filed a schedule in the form of Exhibit A attached to this rule containing the information there required. The statements required by this paragraph (a) need not be certified, nor need they be accompanied by any schedules, except Exhibit A to this rule if required.

(b) If each individual and combined balance sheet of constituent corporations required by paragraph (a) above is not accompanied by the schedules required to accompany the balance sheet of a registrant on Form A-2, there shall be filed a similar complete set of balance sheets as of a date within 90 days and accompanied by such schedules. If the 90-day balance sheets accompanied by schedules are not certified, there shall be filed certified statements of a similar character as of a date within one year.

(c) There shall be filed individual profit and loss statements for each constituent corporation for its three fiscal years preceding the date of its latest balance sheet included in the complete set of balance sheets accompanied by schedules, and for the period, if any, between the close of the latest of such fiscal years and the date of such balance sheet. In addition, all such profit and loss statements of constituent corporations shall be combined in single statements, year by year, related to the combined balance sheet of all the constituent corporations. Individual profit and loss statements of constituent corporations may be combined or grouped to relate to any combined or group balance sheets filed as permitted above, subject to the conditions there stated. The profit and loss statements shall be certified up to the date of the related certified balance sheet. Each profit and loss statement shall be accompanied by the schedules required to accompany a profit and loss statement of a registrant on Form A-2.

(d) There shall be filed a balance sheet as of a date within 90 days for each subsidiary in which the registrant owns, directly or indirectly, securities representing more than 50% of the voting power, other than as affected by events of default; except that no balance sheet need be filed for a subsidiary in which the registrant's investment is not significant in respect of either the assets represented, or the sales of operating revenues of the subsidiary. If the 90 day balance sheet of a subsidiary is not certified, a certified balance sheet shall be filed for such subsidiary as of a date within one year. If it is impracticable to furnish a 90 day balance sheet for any subsidiary, only a certified balance sheet as of a date within one year need be filed. All balance sheets of subsidiaries shall be accompanied by the schedules required to accompany the balance sheet of a registrant on Form A-2.

There shall be filed profit and loss statements for each subsidiary for which a balance sheet is filed under this paragraph (d), year by year, for the three fiscal years preceding the date of the latest balance sheet filed for such subsidiary and for the period, if any, between the close of the latest of such fiscal years and the date of such latest balance sheet. These profit and loss statements shall be certified up to the date of the related certified balance sheet, and shall be accompanied by the schedules required to accompany profit and loss statements of a registrant on Form A-2.

In lieu of separate statements required by this paragraph (d), and subject to the condition stated in the following sentence, there may be filed statements consolidating or combining subsidiaries in one or more groups, with or without the inclusion of the statements of the registrant or the combined statements of all the constituent corporations. In consolidating or combining subsidiaries in such group or groups, the registrant shall follow that principle of inclusion or exclusion which, in the opinion of the registrant, will most clearly exhibit the financial condition and results of operations of the group or groups.

**2. If such consolidation occurred prior to 90 days, and if a profit and loss statement for the registrant is not filed for a full fiscal year of the registrant:**

(a) There shall be filed a balance sheet of the registrant as of a date within 90 days. This statement need not be certified. It shall be accompanied by the schedules required by Form A-2, but, insofar as such schedules ask for information other than as of the date of the balance sheet, information need be given only for the period since the creation of the registrant.

(b) There shall be filed, in addition, a certified balance sheet for each constituent corporation and a certified com-



bined balance sheet for such corporations as of the status existing immediately before the date as of which the transfer of accounts was made, and a certified balance sheet for the registrant as of the status existing immediately after that date. These statements shall be set forth in the columnar or other form indicated in paragraph 1 (a) above, with explanations of eliminations and changes as there required. Each of such balance sheets, except that of the registrant, shall be accompanied by the schedules required to accompany the balance sheet of a registrant on Form A-2. If the constituent corporations are more than five, one or more balance sheets combining or grouping the balance sheets of any constituent corporations may be filed in lieu of their respective individual balance sheets required by this paragraph (b), provided such presentation will clearly show the financial condition of the group or groups. If combined or group balance sheets are filed as permitted by the preceding sentence, there shall be filed a schedule in the form of Exhibit A attached to this rule containing the information there required.

(c) There shall be filed a profit and loss statement for the registrant from the time of its creation until the date of the latest balance sheet filed for it. There shall be filed individual profit and loss statements for each constituent corporation for such time as may be necessary, when added to the time for which the profit and loss statement for the registrant is filed, to cover the equivalent of three full fiscal years for the registrant, plus any period between the close of the last of such fiscal years and the date of the latest balance sheet filed for the registrant. In addition, the profit and loss statements of all the constituent corporations shall be combined in single statements, year by year, related to the combined balance sheet of all the constituent corporations called for by paragraph 2 (b) above. Individual profit and loss statements of constituent corporations may be combined or grouped to relate to any combined or group balance sheets filed pursuant to paragraph 2 (b) above, subject to the condition there stated. Each profit and loss statement shall be accompanied by the schedules required to accompany a profit and loss statement of a registrant on Form A-2. The individual and combined profit and loss statements of constituent corporations shall be certified. The profit and loss statement of the registrant shall be certified if the 90-day balance sheet for the registrant is certified.

(d) Financial statements meeting the requirements of paragraph 1 (d) above shall be filed for subsidiaries of the registrant.

3. If a profit and loss statement for the registrant is filed for a full fiscal year of the registrant:

(a) A balance sheet or balance sheets for the registrant shall be filed as required by part 1 of the Instructions as to Financial Statements in Form A-2.

(b) Profit and loss statements shall be filed for the registrant from the time of its creation until the date of the latest balance sheet filed for it, provided that no profit and loss statement for the registrant need be filed for any period prior to three full fiscal years preceding the date of the latest balance sheet filed for the registrant. Profit and loss statements of the registrant shall be accompanied by the schedules required by Form A-2, and shall be certified up to the date of the latest certified balance sheet.

If the profit and loss statements for the registrant are not filed for three full fiscal years, individual and combined profit and loss statements meeting the requirements of paragraph 2 (c) above shall be filed for the constituent corporations. In such case, individual and combined balance sheets meeting the requirements of paragraph 2 (b) above shall be filed for the constituent corporations.

(c) If profit and loss statements for the registrant are filed for three full fiscal years, financial statements for subsidiaries of the registrant shall be filed as required by part 1 of the Instructions as to Financial Statements in Form A-2.

If profit and loss statements for the registrant are not filed for three full fiscal years, financial statements meeting the requirements of paragraph 1 (d) above shall be filed for subsidiaries of the registrant.

(d) If no financial statements for constituent corporations are filed pursuant to paragraph 3 (b) above, there shall be set forth in the registration statement the following additional item, designated Item 45B, and the information required thereby shall be furnished:

45B. Briefly describe any increases or decreases in *Investments*, or *Property, Plant and Equipment*, or *Intangible Assets*, or any restatements of *Capital Stock* or the writing off of *Bond Discount and Expense*, which were effected in connection with or in the course of the consolidation by which the registrant was formed, and the related entries affecting other balance sheet accounts, together with a brief explanation thereof.

The foregoing amendments shall be effective upon publication, except that any registrant may, at its option, until June 1, 1936, be governed by the form and instruction book as existing prior to the adoption of the foregoing amendments, or may file a registration statement on the form which would have been appropriate if these amendments had not been adopted.

Exhibit A

Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G			
Name of constituent	Total assets	Total funded debt	Total other liabilities	Total dollar amount capital stock outstanding	Total surplus	Net earnings			
						Fiscal year ended 19..	Fiscal year ended 19..	Fiscal year ended 19..	.. months ended 19..

1. This schedule shall be filed in support of the combined balance sheet of constituent corporations immediately before consolidation, unless an individual balance sheet for each constituent is filed.

2. All amount columns shall be totaled and shall be in agreement with the related figures in the combined balance sheet before consolidation.

3. The total of columns C to F, inclusive, shall agree with column B.

[SEAL]

FRANCIS P. BRASSOR, Secretary.

[Filed, March 25, 1936; 1:32 p. m.]